

Guide for Review of Section 3 of the Housing and Urban Development Act of 1968			
Name of Program Participant:			
Staff Consulted:			
Name of Grant Program(s) Reviewed:			
Name(s) of Reviewer(s):		Date:	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding**."

Instructions: This Exhibit is designed to examine the program participant's records to determine:

- whether the participant has included the Section 3 clause in its contracts;
- the number of training opportunities coordinated;
- employment records of Section 3 residents as 30 percent of new hires; and
- the awarding of up to 10 percent of the contracting opportunities to Section 3 business concerns consistent with the requirements of 24 CFR 135.30.

It is divided into five sections: Program Participant Responsibilities; Use of Section 3 Residents as Trainees; Use of Section 3 Residents as Employees; Contract Awards to Section 3 Business Concerns; and Procurement. (See Section 22-5 of the introduction to this Chapter.) The HUD reviewer is to respond to these questions through contract reviews and program participant/subrecipient staff interviews. Failure to maintain records is an indication of noncompliance with the record keeping regulations. While a lack of documentation may not imply discrimination, because the participant's data are a basis for further investigating compliance with nondiscrimination requirements, the CPD reviewer is responsible for transmitting this completed Exhibit (including any supporting documentation) to FHEO upon completion of the monitoring (see Sections 22-3 and 22-4 of the introduction to this Chapter).

Questions:

A. PROGRAM PARTICIPANT RESPONSIBILITIES

1.

[OS] For the time period reviewed, did the program participant's records include written procedures governing:	
(a) notification to residents about employment and training opportunities generated by Section 3 covered assistance? [24CFR 135.32 (a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
(b) notification to Section 3 business concerns about contracting opportunities generated by Section 3 covered assistance? [24 CFR 135.32 (b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
(c) the setting of, and reaching, numerical goals for employment and training opportunities for residents and contracting opportunities for Section 3 business concerns? [24 CFR 135.32(c)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion:	

2.

[OS] For the time period reviewed, did the program participant's records include documentation of the actions taken to comply with the Section 3 regulations, the results of the actions taken, and any impediments encountered during the implementation of the program(s) covered by Section 3? [24 CFR 135.32(e)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion:	

B. USE OF SECTION 3 RESIDENTS AS TRAINEES

3.

[OS] For the time period reviewed, did the program participant's records include: (a) information about the number of training positions generated for Section 3 residents? (b) at which stages of the project they were filled? (c) information on the how the program participant implemented the eligibility criteria for residents affected by the CPD program(s)? [24 CFR 135.34(a)(2) and 24 CFR 135.34(b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: 	

C. USE OF SECTION 3 RESIDENTS AS EMPLOYEES

4.

[OS] For the time period reviewed, did the program participant's records include information about: (a) the number of permanent full-time and part-time positions generated for Section 3 residents? (b) the stages of the project at which these positions were filled? (c) how the program participant implemented the eligibility criteria for residents affected by housing and community development programs? [24 CFR 135.34(a)(2) and 24 CFR 135.34 (b)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: 	

D. CONTRACT AWARDS TO SECTION 3 BUSINESS CONCERNS

5.

[OS] For the time period reviewed, did the program participant's records include information on the number, dollar value, and types of procurement awards made to Section 3 business concerns that provide economic opportunities for residents of the service area or neighborhood in which the Section 3-covered project was located? [24 CFR 135.36 (a)(2) and 24 CFR 135.36(b)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

6.

[OS] For the time period reviewed, did the program participant's records include evidence submitted by Section 3 business concerns to the program participant of the businesses' ability to perform successfully under the terms and conditions of the contract and comply with the requirements of Section 3? [24 CFR 135.36 (c)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

E. PROCUREMENT

7.

[OS] Was the Section 3 clause included in all reviewed contracts to which it is applicable? [24 CFR 135.38]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	